

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
Modernizing the E-rate) WC Docket No. 13-184
Program for the Schools and Libraries)

COMMENTS BY eDimension LLC
RELATED TO THE E-RATE 2.0 NOTICE OF PROPOSED RULEMAKING

**Federal Communications Commission (FCC) Notice of Proposed Rule Making
(NPRM) – Proposed Rules (Appendix A)**

Multi-year contracts – eDimension supports the proposed change allowing applicants to submit a single FCC Form 471 covering all the years of a multi-year contract, however the proposed limit on the term of the contract/Form 471 should be increased to five (5) years from the proposed three (3) years.

Record keeping requirements – eDimension cannot support the proposed change from a five (5) year document retention requirement to a ten (10) year retention requirement for both applicants and service providers. Instead eDimension proposes a reduction to a three (3) year document retention requirement in keeping with the NPRM's goal of streamlining the program.

**Federal Communications Commission (FCC) Notice of Proposed Rule Making
(NPRM) – Responses to “Seeking Comment”**

Specific Services for Which Support May No Longer Be Appropriate – eDimension supports the removal of several services from the Eligible Services List which no longer are appropriate to the goals and objectives of the E-rate program. The services include:

1. Paging Services
2. Directory Assistance
3. Inside Wire Maintenance
4. Call Blocking
5. 800 Number Services
6. All “ride-over” services

Connectivity metrics. eDimension supports the ConnectED proposals as supported by the State Education Technology Directors Association (SETDA) of **at least** 100 Mbps

per 1,000 students and staff (users) by the 2014-15 school year and **at least** 1 Gbps Internet access per 1,000 users by the 2017-18 school year.

Greater Assistance to Schools and Libraries and Improving the Competitive Bidding Process – The state and local competitive bidding processes are sufficient. No improvement of the competitive bidding process is necessary to the E-rate program, however one of the consistent failings of the E-rate program is the available training available to applicants and service providers. For the program to be most successful no applicant or service provider should be turned away from available training opportunities. Currently only eight, one-day applicant training sessions are available and two one-day service provider trainings each year. These training sessions are limited to approximately 250 attendees. Each year the number of registrants exceeds the available capacity. While the PowerPoint slides are made available online, there is no option to attend the trainings electronically in real time via webinar. There is also no opportunity to view the training as an archived video presentation.

Expanded training should include additional training locations, additional attendee capacity, live webinar access, access to recorded video archives of prior E-rate trainings and expanded training content. Expanded training content should include topics important to the E-rate program such as “Improving the Competitive Bidding Process”. These recommendations are valid for both applicant and service provider trainings.

Contract signature deadlines – The Commission requested comments on whether or not to revise the deadline for applicants to sign a contract with their service provider. There are pros and cons to this change. In general it would benefit applicants to have an additional 30 or 60 days to give applicants time to finalize board approval, but the risk is an applicant that files a Form 471 and then does not get Board approval for the related contract. The benefits of extending this deadline out way the potential risks.

Executive Summary of SECA’s E-Rate Reform 2.0 Recommendations

eDimension believes that the SECA recommendations are the most thorough and coherent proposals which will meet the growing requirements of the E-rate program moving forward.

1. *More E-rate funding is needed on a sustained basis* – It is widely accepted that the available funding for E-rate has been inadequate since the inception of the program. There are a wide variety of proposed increases to the funding level. eDimension supports an increase in funding to a minimum of an amount indexed to inflation retroactive to the first year of the E-rate program. The exact amount of the increase to the funding cap will depend on many factors including cost savings, changes to the discount matrix, changes to the Eligible Services List, etc.

2. *The core mission of the E-rate program must be updated to reflect 21st Century Technology Needs of Schools and Libraries* – eDimension supports the SECA proposal as presented on each of the following topics with the exceptions noted:

- A. Priority 1 Service Eligibility should be revised to focus on high speed broadband data circuits and Internet access service.
 - i. Over a five year period, the eligibility of basic phone service should be phased out.
 - ii. Webhosting service should no longer be eligible.
- B. Priority 2 Internal Connections eligible equipment and services should be revised to include:
 - i. One Router per Building: to facilitate the access to the building for Internet Access.
 - ii. Switches & Wireless Access Point (Layer 3 - POE): These devices would facilitate the access to the Internet for local cabling that does not exceed three cabling drops per classroom –and a prescribed number of drops for libraries. There should be no more than one Wireless Access Point per classroom. Multiple WAPs as may be needed for school library/media centers and inside libraries should be allowed. One UPS per switch should be eligible (with an uptime of no more than 30 minutes per switch).
 - iii. Cabling: Cabling to the classroom (no more than 3 cabling drops per classroom) to provide a means of accessing the Internet, with no more than one Wireless Access Point per Classroom. All the cabling components need to be RCDD-BICSI compliant, that is, racks, wire managers, for the three cabling drops.

Basic maintenance should no longer be eligible.

Exceptions:

- 1. Wireless Access Points should not be limited to one per classroom. While this limit may meet the needs of most schools today, such a restriction may not meet the needs of all schools or any school in the future as technology needs continue to change.
- 2. Cabling to the classroom should not be limited to three cabling drops. A limit on the number of cabling drops may be beneficial, but a total of six drops is more reasonable to allow flexibility for individual needs of each school to deploy technology as they determine is best to meet the needs of their individual environment.

C. *The maximum discount for Priority 2 funding should be revised to be 70%* – eDimension supports the reduction of the maximum funding discount with the following exceptions:

- 1. Maximum funding discount should be reduced for **both** Priority 1 and Priority 2.

2. Urban/Rural distinction should **not** be eliminated. Costs for both Priority 1 and Priority 2 services are higher for rural locations. Rural applicants should receive a 10% higher discount in all categories to offset this difference (Table 1).
3. The following revised discount matrix (Table 1) will increase available program funding in two ways. First, the lower discount matrix will free funding for a broader range of funding requests. Second, high poverty applicants will be more fiscally responsible in their funding requests if they have to commit to a 30% district share. The prior philosophy of “I can’t pass up 10 cents on the dollar” will begin to fade away.

Table 1

NSLP	P1 & P2 E-rate Discount %	
	Urban	Rural
<1-19%	10%	20%
20%-29%	20%	30%
30%-39%	30%	40%
40%-49 %	40%	50%
50%-59%	50%	60%
60%-69%	60%	70%
70%-100%	70%	80%

- D. *All applicants should be scheduled on a rotating basis to apply for Priority 2 funding* – eDimension does not support a rotating basis for Priority 2 funding. A Rotating Priority 2 Funding schedule will conflict with the goal of streamlining the program by further complicating the application process for applicants. A better solution is to increase the funding cap and implement other recommended changes so that a rotating funding schedule is unnecessary.
- E. *District discounts should be calculated on the basis of the district-wide average, and not by building and not by using a weighted average.* – eDimension supports this proposal.
- F. *The Form 486 application should be streamlined.* – eDimension supports this proposal.
- G. *A unified Customer Access Portal Platform is needed to more efficiently administer E-rate.* – The current USAC web interface and utilities are outdated and disjointed. The entire system needs to be revamped per SECA’s proposal to meet current technology and applicant/service provider requirements.
- H. *Program effectiveness should be measured based on the accessibility and affordability of telecommunications and Internet Access service rather than based on a specific measure that may become outdated over time.* – eDimension supports the program effectiveness evaluation based on SEDTA’s minimum bandwidth standards.

Funds For Learning E-rate Reform Coalition

eDimension does not support the Funds for Learning proposal which would “place reasonable limits on the annual amount of E-rate discounts available to any single applicant.” This proposal would unfairly limit applicants with unique needs which may exceed the arbitrary limits defined by the program.

eDimension Summary

The general consensus is that the E-rate program has been underfunded since its inception. While eDimension is in agreement that the program is underfunded, we also believe that a few changes can reduce the need for significant additional funding while complying with the intended goals of the program.

1. The funding level should be increased at a minimum to an amount indexed to inflation retroactive to the first year of the E-rate program.
2. Revise the funding matrix to a maximum discount of 70% for **both** Priority 1 and Priority 2 in order to:
 - a. Increase the applicant fiscal responsibility for all funding requests.
 - b. More evenly spread the funding of necessary Priority 1 and Priority 2 funding.
3. Calculate discounts based on applicant-wide average as opposed to school/site-based discounts in order to reduce “gaming” of the system and jockeying discounts between 90% entities and non-90% entities.
4. Reduce the five year document retention requirement to a three year document retention requirement to comply with the goal of streamlining the program.
5. Allow multi-year applications in conjunction with multi-year contracts not to exceed five years.
6. Eliminate outdated and “ride-over” services.
7. Comply with minimum requirements of SEDTA bandwidth proposal.
8. Increase access to training for applicants and service providers via in-person, webinar and archived videos.